

26 February 2021

Veris Limited – H1 FY21 Results Announcement

Highlights:

- **Strong growth in EBITDA to \$6.0 million (12.0%) (PCP \$1.6 million (3.1%))**
- **PBT of \$1.1 million (PCP loss of \$6.1 million)**
- **Solid revenues of \$50.1 million (PCP \$50.5 million)**
- **Significant turnaround in business performance and trajectory**
- **Restructure and prudent management in Veris Australia having a clear impact**
- **Continued organic growth in Aqura Technologies underpinned by strong margins**
- **Group cash balance of \$2.4 million at 31 December 2020**
- **Order book and pipeline demonstrating continued growth with**
- **Well positioned to execute on strategies moving forward following strongly supported \$7.5 million Placement (announced 25 February 2021)**

Veris Limited (VRS: ASX) (“the Group” or “the Company”) today announced its financial results for the half year ended 31 December 2020 (H1 FY21).

Overview

The Group has achieved strong growth in EBITDA up to \$6.0 million in H1 FY21, up from \$1.6 million in the Prior Corresponding Period (“PCP”). The focus on project delivery disciplines and cost management in Veris Australia, combined with strong margins delivered by Aqura Technologies has contributed to this strong result.

This has also provided the basis for the Group to report a \$1.1 million Profit Before Tax (“PBT”), (PCP loss of \$6.1 million), the first such half yearly profit reported by Veris Limited since 31 December 2016.

Revenue of \$50.1 million, (PCP \$50.1 million) reflected a strong result against the continued backdrop of an interrupted national economic landscape and operating environment due to the impact of COVID-19.

The Group ended H1 with a cash balance of \$2.4 million, up from \$1.9 million at 30 June 2020, and total assets of \$60.8 million.

The financial results for H1 FY21 represent a significant turnaround in business performance and trajectory for the Group. Strong improvements in operating margins were able to be achieved in both Veris Australia and Aqura Technologies despite the continued impacts of COVID-19 on the operating environment of both operations. This was underpinned by enhanced project management and cost management disciplines, and more efficient use of the Group’s technical and ancillary fleet of equipment. Both Veris Australia and Aqura management envisage additional efficiencies being crystallised as a more stable national operating environment returns and the Group is able to leverage the national footprint of both businesses from an operational and staffing perspective.

Moving forward, the Group outlook for Veris Limited has also been significantly bolstered by the strongly supported \$7.5 million placement (“the Placement”), which was successfully completed on 25 February 2021, and will underpin the continued execution of the respective strategies for the Veris Australia and Aqura Technologies operating businesses. In addition to the Placement, existing retail shareholders will also have an opportunity to participate in a Share Purchase Plan on the same terms as those investors participating in the Placement. (*refer to ASX Announcement dated 25 February 2021*)

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Comments from Veris Limited Chairman, Karl Paganin:

“Whilst the pandemic continued to provide a challenging and uncertain operating environment for the Group across the half year, it’s pleasing to see the significant impact structural and management changes are having on our results. This has resulted in the strong margin growth which has contributed to the strong result.

“Following the success of our recent Capital Raising, and with both Veris Australia and Aqura Technologies sharing a strong organic growth outlook, underpinned by our national operating platform and opportunity tailwinds, we are well positioned to execute the respective strategies of both operating divisions and continue our growth trajectory.”

– ENDS –

About Veris Limited

Veris Australia is Australia’s largest and leading surveying, digital & spatial and planning business. It works across the infrastructure, property, resources, defence, utilities and government sectors.

Aqura Technologies complements the accomplished existing spatial solution capabilities of the Veris Australia segment with highly specialised ICT and communications services, offering industry-leading technology solutions to the industrial communications sector for application in the resources, commercial, utilities, defence, health and education sectors.

Veris Limited is the Group’s holding company that is listed on the ASX under the code VRS.

Authorised for release by the Board of Veris Limited.

Issued by Veris Limited
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